

Indiana Public Employees' Deferred Compensation Plan Indiana Stable Value Fund

as of December 31, 2006



Fund Attributes

Current Blended Rate.....4.98%
Fund Size.....\$380.1 MM
Duration.....3.39 Years

Credit Summary

Holdings by S&P Rating

AAA.....8.9%
AA.....91.1%
Average Quality "AA+"

INVESTMENT OBJECTIVES

The Stable Value Fund is a conservative fixed income vehicle that seeks to provide a stable rate of return with preservation of principal and liquidity as primary objectives. This Fund has a low overall risk level and may be appropriate for investors seeking to minimize the likelihood of losses on a portion or all of their invested assets.

INVESTMENT STRATEGY

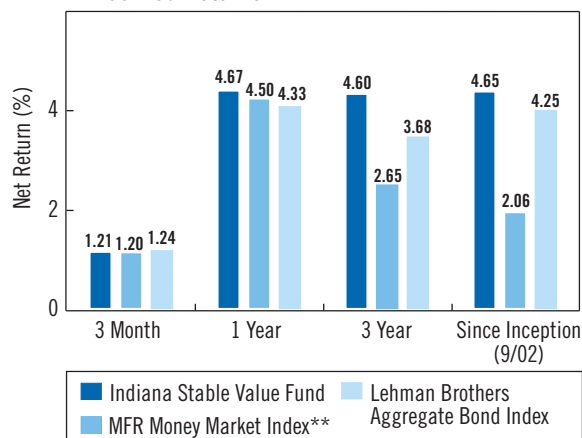
The Fund seeks to achieve its investment objective by investing in a diversified portfolio of primarily investment-grade fixed income securities and in stable value investment contracts. Stable value investment contracts obligate the issuer (a bank, insurance company, or other high quality financial institutions) to protect the Fund's investment portfolio from market value losses. The Fund may invest up to 5% of the assets (7.5% temporarily when security downgrades are included) in below investment-grade securities. The Fund will invest primarily in debt securities issued by U.S. companies, asset-backed securities, and mortgage-related securities. The Fund may also invest in other securities or instruments that are consistent with its primary investment objective, including debt securities issued or guaranteed by the U.S. government, its agencies and instrumentalities, shares of commingled or mutual funds, and investment contracts, including Wrap Contracts, offered by major insurance companies and other approved financial institutions. Wrap contracts are structured solely as a general debt obligation of the issuer. The Fund will purchase "Wrap Contracts," which will provide protection to participants against market value losses and the ability to withdraw their original investment and all credited interest. The Fund may hold cash and cash equivalents in its portfolio pending investment of the Fund assets and, as necessary, to accommodate Fund withdrawals and shares or units of collective group trusts that invest in securities consistent with the Fund's investment objectives.

CREDIT QUALITY

As a conservative investment option, the Stable Value Fund is managed in accordance with strict credit quality and diversification guidelines. Investments are only made with high quality investment contracts and fixed income securities that receive credit ratings from the major rating agencies. The average credit quality of the Fund's investments will be maintained at a minimum of AA/Aa2 by S&P and Moody's.

PERFORMANCE

Annualized Returns*

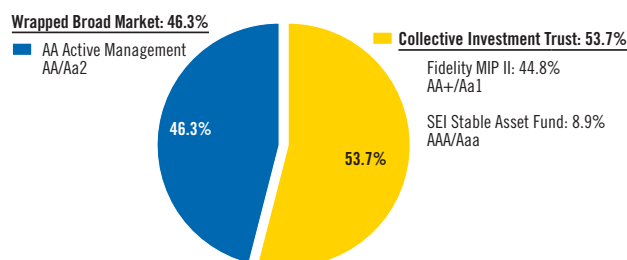


* Past performance is not a guarantee of future results. Returns include reinvestment of interest income.

**The MFR Money Market Index is the all-taxable money fund report average, a product of iMoneyNet, Inc. and is presented net of certain fees and expenses.

PORTFOLIO COMPOSITION

Issuer Balance—Ratings (S&P/Moody's)

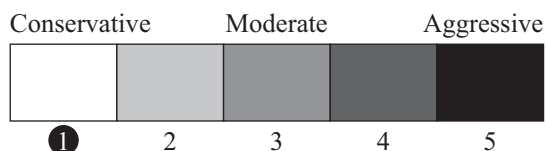


BASIC FUND INFORMATION

Fund Inception Date: 9/30/2002
Co-investment Managers: Delaware Investment Advisers and Fidelity Management Trust Company
Wrap Manager: Delaware Investment Advisers, with Dwight Asset Management Company as sub-advisor
NAV as of 12/31/06: \$1.00
Management Fee as of 12/31/06: 0.18%
Wrap Contracts: 0.07%
Custodian Fees: 0.01%
Total Fees: 0.26%

CONSIDER INVESTING IF:

- ♦ You anticipate using a portion of your retirement savings within the next five years.
- ♦ You are looking for the value of your investment to remain stable.
- ♦ You want some price stability to balance more aggressive investment choices.

OVERALL RISK LEVEL:**A FEW WORDS ABOUT RISK:**

A stable value fund is designed to preserve the dollars you invest and provide a competitive level of interest. However, when investing in a stable value fund, you should consider inflation risk and credit risk.

Inflation risk is the possibility that your investment dollars will not maintain the same purchasing power in the future.

Credit risk is the possibility that a contract issuer may be unable to make interest payments or to pay back the original investment on time, or at all.

Investments rated AAA/Aaa or contracts backed by U.S. government or agency securities provide the highest level of credit protection.

A stable value fund is a conservative investment option. Although the Fund may provide a lower potential for appreciation than other investment options, a stable value fund provides the lowest level of risk and return volatility.

IMPORTANT FACTS:**Information Accessibility**

The plan's recordkeeper, Great West Retirement Services, will provide information about the Fund through their customer service representatives. Since this is not a mutual fund, such information is not available from a newspaper source.

Prospectus Information

A stable value fund is a portfolio of assets managed specifically for a group of employee benefit plans invested in a collective trust. Unlike a mutual fund, only the participants in a participating plan can invest in the Fund. Therefore, a prospectus is not available. However, Annual Reports for the SEI Stable Asset Fund are available upon request. This summary is designed to provide descriptive information.

How to Invest in the Fund

The Fund accepts contributions and transfers that are made through the qualified benefit plan offered by your employer. Contact the plan administrator for the documents necessary to open an account.

What You Own

While you do not have direct ownership of the individual assets of the Fund, you do own units of a stable value fund that invests in a wrapped AA bond fund and two collective investment trusts.

Withdrawal and Transfer Provisions

The Fund allows for participant initiated withdrawals on a daily basis. There are no penalties for 'benefit responsive events.' These are determined by the State of Indiana Deferred Compensation Plan and include withdrawals and transfers related to:

- separation from service;
- disability;
- death;
- "unforeseen emergency withdrawals;" and
- transfers to another investment option that is not a competing Fund

Withdrawals for payments resulting from qualified plan benefits will be paid immediately. Contact Great West Retirement Services to request a withdrawal or to transfer funds to another plan investment option.

Rate and Price

The interest rate on the Fund changes monthly. The Fund seeks to maintain a stable \$1 unit price. However, the Fund cannot guarantee that it will be able to maintain this unit price and the yield will fluctuate. The nature of a stable value fund is to provide price stability; therefore, the change in interest rates is expected to be minimal from month to month.

Credited Interest

Interest is credited to the Fund under the Wrap Contract from the day of deposit through, but not including, the day of withdrawal. There is no immediate recognition of investment gains and losses on the fixed income securities. Instead, the gain or loss is recognized over time by adjusting the interest rate credited to the Fund under the Wrap Contracts. The credited interest rate is expected to remain relatively stable and will be reset on a monthly basis to reflect the investment performance of the underlying portfolio. The credited interest rate cannot be less than 0.00% subject to the Wrap Contract providers satisfying their contract obligations.

Guarantees

Investment contracts held in the Fund are guaranteed only by the issuer of the contract. Institutions issuing contracts to the Fund must meet strict credit quality standards. Units of the Indiana Stable Value Fund are not backed by Delaware Investments, Dwight Asset Management Company, Fidelity Management Trust or the State of Indiana. These parties make no guarantees as to the value of the units in the Fund. Units of the Fund are not insured by the FDIC.